

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

AN INVESTIGATION INTO WARREN COUNTY)	
WATER DISTRICT'S RATE SCHEDULE FOR)	CASE NO.
SERVICES WITH PRIVATE FIRE PROTECTION)	2002-00042
FACILITIES)	

COMMENTS CONCERNING SECOND SUPPLEMENTAL TESTIMONY
OF CARRYN LEE

The Warren County Water District, by counsel, for its comments concerning the second supplemental testimony of Carryn Lee, states as follows:

1. Given the volume of information which has been submitted to date, it is appropriate to recall the Commission's Order dated December 7, 2001 in Administrative Case No. 385 "In the Matter Of An Investigation Into Fees For Fire Protection Services".

At page 12 of the Commission's Order, it is stated by the Commission as follows:

"In those instances in which a separate service connection is installed for fire protection purposes, the key question concerns the appropriate rate for such service. The rate should reflect the cost of serving the fire protection system. Given the nature of fire protection service, the demands and costs for such service imposes upon a water utility are quite different from those of domestic water customers. The rates for such service, therefore, should differ from those for domestic water service. At a minimum, these rates should be sufficient to recover (1) depreciation and debt service or return on investment in the water utilities facilities that directly connect the water distribution main to the fire sprinkler system; (2) expenses associated with periodic inspections to insure against unauthorized use; (3) expenses associated with meter reading and billing, if a meter is installed for the fire sprinkler system; and (4) expenses for maintenance and inspection of water utility facilities that directly connect the water distribution main to the fire sprinkler system. A portion of a water utilities

treatment, transmission, and distribution costs may also be allocated to fire protection service where appropriate”.

2. It is, therefore, the purpose of this proceeding to calculate the appropriate rate which ^{is} ~~are~~ sufficient to recover the items enumerated in the above quoted Commission Order.

3. Carryn Lee, on behalf of the KPSC has, through her testimony and supplemental testimony, endeavored to calculate those rates within the parameters established by the Commission in its Order in Case No. 385.

4. The purpose of this proceeding is not an appeal from Case No. 385, it is not to be used as an attempt to rewrite the Order in Case No. 385. Rather, this proceeding is for the limited purpose of calculating the appropriate rate within the parameters of the Commission's Order in Case No. 385.

DATED this 14th day of November, 2003.

COLE & MOORE, P.S.C.
921 College Street - Phoenix Place
P. O. Box 10240
Bowling Green, KY 42102-7240
(270)782-6666

BY: John David Cole

John David Cole
Frank Hampton Moore, Jr.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was on the 14th day of November, 2003, mailed through the U.S. Mail, first class, postage prepaid, to the following:

Original and
Ten copies to:

Thomas M. Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Copies to:

Joe Liles
General Manager
Warren County Water District
523 U.S. Highway 31-W By Pass
P. O. Box 10180
Bowling Green, KY 42102-4780

Hon. Dixie R. Satterfield
Satterfield Law Office
313 East Tenth Avenue
P. O. Box 9970
Bowling Green, KY 42102-9970

Hon. David Edward Spenard
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204

Ken Meredith
Greenwood Skating Center
506 Three Springs Road
Bowling Green, KY 42104

Carryn Lee
400 Parsons Lane
Harrodsburg, KY 40330



John David Cole
Frank Hampton Moore, Jr.